

WATER TARIFF SCHEDULE

UTILITY: Diversified Water Utilities, Inc.
DOCKET NO. U-2828-97-039

DECISION NO. 60219
EFFECTIVE: 6/ 1/97

ORIGINAL

RATES AND CHARGES

CUSTOMER/MINIMUM CHARGES PER MONTH

METER	CHARGES	GALLONS
5/8 x 3/4"	\$ 27.50 FOR	0,000
3/4"	\$ 27.50 FOR	0,000
1"	\$ 32.00 FOR	0,000
1 1/2"	\$ 36.40 FOR	0,000
2"	\$ 54.40 FOR	0,000
3"	\$ 86.50 FOR	0,000
4"	\$ 137.50 FOR	0,000
5"	\$ 0.00 FOR	0,000
6"	\$ 262.50 FOR	0,000

SERVICE LINE & METER INSTALLATION CHARGES

METERS	CHARGES
5/8 x 3/4"	\$ 850.00
3/4"	\$ 895.00
1"	\$ 950.00
1 1/2"	\$1,170.00
2"	\$1,665.00
3"	\$2,135.00
4"	\$3,050.00
5"	\$ 0.00
6"	\$5,385.00

COMMODITY CHARGE (EXCESS OF MINIMUM):

IN EXCESS OF LIMIT: \$ 3.65 PER 1,000 GALLONS
\$ 0.00 PER 0 GALLON
UP TO 0 GALLONS
\$ 0.00 0 - ,000 GALLONS

SERVICE CHARGES:

1. ESTABLISHMENT (R14-2-403.D.1)	\$25.00
2. ESTABLISHMENT/AFTER HOURS (R14-2-403.D.2)	\$40.00
3. RECONNECTION/DELINQUENT (R14-2-403.D.1)	\$25.00*
4. NSF CHECK (R14-2-409)	\$15.00
5. METER REREAD/IF CORRECT (R14-2-403.C.2)	\$15.00
6. METER TEST/IF CORRECT (R14-2-408.F.1)	\$25.00
7. DEFERRED PAYMENT (R14-2-408.F.1)	1.50
8. DEPOSIT INTEREST (R14-2-403.B.3)	PER RULE
9. DEPOSIT (R14-2-403.B.7)	PER RULE
10. RE-ESTABLISHMENT W/N 12 MONTHS (R14-2-403-D.1)	MONTHS OFF THE SYSTEM TIMES THE MINIMUM

OTHER RATES AND CHARGES APPROVED BY ORDER:

IN ADDITION TO THE COLLECTION OF ITS REGULAR RATES AND CHARGES, THE COMPANY SHALL COLLECT FROM ITS CUSTOMERS THEIR PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES OR USE TAX IN ACCORDANCE WITH R14-2-409.D.5.

LATE FEE (PER MONTH): 1.50

* IN ADDITION, CHARGE FOR DISCONNECTING CUSTOMER BYPASS OF SERVICE TERMINATION: ACTUAL COST TO RE-DISCONNECT SERVICE & COST TO REPAIR ANY DAMAGED CUSTOMER SERVICE CONNECTIONS OR METERS, PLUS \$30 FOR 1ST DISCONNECTION OF BYPASS BEFORE REINSTATEMENT, AND \$35 FOR ANY FURTHER DISCONNECTIONS OF BYPASS BEFORE REINSTATEMENT.

APPROVED FOR FILING

DECISION #: 60219

TARIFF SCHEDULE

UTILITY: Diversified Water Utilities, Inc.

SHEET NO. 1

DOCKET NO. W-02859A-99-0101

DECISION NO. 61580

EFFECTIVE DATE: March 19, 1999

Off-Site Facilities Hook-Up Fee Tariff**I. Purpose**

To more equitably apportion the costs of off-site water facility development among new service connections connecting to mains installed after the effective date of this tariff. Water hook-up fees are to be used to finance new "backbone" water plant including wells and storage facilities. Water hook-up fees are non-refundable contributions in aid of construction.

II. Applicability

In addition to the meter and service line installation charge, any other tariff necessary for connection to the system, and requirements for on-site facilities to be installed pursuant to approved main extension agreements, the following Off-site Facilities Hook-Up Fee is applicable to all new service connections requiring main extension agreements within the Company's certificated area from the effective date of this tariff and for all connections to mains installed pursuant to main extension agreements approved by the Arizona Corporation Commission after the effective date of this tariff.

III. Definitions

"Applicant" means any party entering into an agreement with Company for the installation of water facilities to serve new service connections.

"Company" means Diversified Water Utilities, Inc., an Arizona corporation.

"Main Extension Agreement" means any agreement whereby an applicant agrees to advance the costs of the installation of water facilities to the Company to serve new service connections, or install water facilities to serve new service connections and transfer ownership of such water facilities to the Company, which agreement shall require the approval of the Arizona Corporation Commission (same as line extension agreement).

"Off-site Facilities" means wells, storage tanks and related appurtenances necessary for proper operation, including engineering and design costs. Offsite facilities may also include booster pumps, pressure tanks, transmission mains and related appurtenances necessary for proper operation, if these facilities are not for the exclusive use of the applicant and these facilities will benefit the entire water system.

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"Service Connection" means and includes all service connections for single-family residential or other uses, regardless of meter size.

IV. Off-site Facilities Hook-up Fee

Each new service connection shall pay the total Off-site Facilities Hook-up Fee derived from the following table:

OFF-SITE FACILITIES HOOK-UP FEE TABLE

<u>Meter Size</u>	<u>Size Factor</u>	<u>Total Fee</u>
5/8" X 3/4"	1	\$850.00
3/4"	1.2	\$1,020.00
1"	2	\$1,700.00
1 1/2"	4	\$3,400.00
2"	6.4	\$5,440.00
3"	12	\$10,200.00
4"	20	\$17,000.00
6" or larger	40	\$34,000.00

V. Terms and Conditions

(A) Assessment of One Time Hook-up Fee: The Hook-up fee may be assessed only once per parcel, service connection, or lot within a subdivision (similar to meter and service line installation charge)

(B) Use of Hook-up Fee: Hook-up fees may only be used to pay for capital items of off-site facilities, or for repayment of loans obtained for installation of off-site facilities. Hook-up fees shall not be used for expenses, maintenance, or operational purposes.

(C) Time of Payment:

a. For those requiring a main extension agreement - In addition to the amounts to be advanced pursuant to an Arizona Corporation Commission approved main extension agreement, the applicant for new water services shall pay the Company the Off-site Facilities Hook-up Fee as determined by meter size and number of connections to be installed pursuant to the main extension agreement. Payment of the Off-site Facilities Hook-up Fee shall be made at the time of payment of the main extension agreement or prior to commencement of construction of the water facilities to be installed by applicant pursuant to the main extension agreement.

b. For those connecting to an existing main that was installed pursuant to a main extension agreement that was approved by the Arizona Corporation Commission after the effective date of this tariff, in other words, connection does not require a main extension — In

addition to the meter and service line installation charge, and any other approved tariff necessary for connection to the system, the applicant shall pay the appropriate hook-up fee at the time of payment of the meter and service line installation charge.

(D) Off-site Facilities Hook-up Fee Non-refundable: The base fee amounts collected by the Company pursuant to the Off-site Facilities Hook-up Fee shall be non-refundable advances in aid of construction.

(E) Trust Account: All funds collected by the Company as Off-site facilities Hook-up Fees shall be deposited into a separate interest bearing trust account and used solely for the purposes of paying for the costs of off-site facilities, including repayment of loans obtained for the installation of off-site facilities.

(F) Hook-up Fee in Addition to On-site Facilities: The hook-up fee shall be in addition to any costs associated with a main extension agreement for on-site facilities and in addition to any costs for meter or service line installation authorized pursuant to an existing Arizona Corporation Commission tariff for Applicant.

(G) Disposition of Excess Funds: After all necessary and desirable off-site facilities are constructed utilizing funds collected pursuant to the Off-site Facilities Hook-up Fee or the Off-site Facilities Hook-up Fee has been terminated by order of the Arizona Corporation Commission (Commission), any funds remaining in the trust shall be refunded. The manner of the refund shall be determined by the Commission at the time a refund becomes necessary.

(E) Fire Flow Requirements: In the event the applicant for service has fire flow requirements that require additional facilities beyond those facilities whose costs were included in the Off-site Facilities Hook-up Fee and which are contemplated to be constructed using the proceeds of the Off-site Facilities Hook-up Fee, the Company may require the applicant to install such additional facilities as are required to meet those additional fire flow requirements, as a non-refundable contribution, in addition to the Off-site Facilities Hook-up Fee.

TARIFF SCHEDULE

ORIGINAL

Utility: Diversified Water Utilities, Inc.
Docket No.: _____
Phone No.: (602) 840-9400

Tariff Sheet No.: 1 of 4
Decision No.: _____
Effective: 10.22.04

CURTAILMENT PLAN FOR DIVERSIFIED WATER UTILITIES, INC.

ADEQ Public Water System No: 11-043

Diversified Water Utilities, Inc. Company"), is authorized to curtail water service to all customers within its certificated area under the terms and conditions listed in this tariff.

This curtailment plan shall become part of the Arizona Department of Environmental Quality Emergency Operations Plan for the Company.

The Company shall notify its customers of this new tariff as part of its next regularly scheduled billing after the effective date of the tariff or no later than sixty (60) days after the effective date of the tariff.

The Company shall provide a copy of the curtailment tariff to any customer, upon request.

Stage 1 Exists When:

Company is able to maintain water storage in the system at 100 percent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. Company's water storage or well production has been less than 80 percent of capacity for at least 48 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 percent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

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TARIFF SCHEDULE

ORIGINAL

Utility: Diversified Water Utilities, Inc.
Docket No.: _____
Phone No.: (602) 840-9400

Tariff Sheet No.: 2 of 4
Decision No.: _____
Effective: 10.22.04

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

Stage 3 Exists When:

- a. Company's total water storage or well production has been less than 50 percent of capacity for at least 24 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, Company shall request the customers to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 percent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible. Standpipe service shall be suspended.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, Company shall post at least 2 signs showing the curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 3.

Once Stage 3 has been reached, the Company must begin to augment the supply of water by either hauling or through an emergency interconnect with an approved water supply or other reasonable means in an attempt to maintain the curtailment at a level no higher than Stage 3 until a permanent solution has been implemented.

ADMINISTRATIVELY
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TARIFF SCHEDULE

Utility: Diversified Water Utilities, Inc.
Docket No.: _____
Phone No.: (602) 840-9400

Tariff Sheet No.: 3 of 4
Decision No.: _____
Effective: 10.22.07

ORIGINAL

Stage 4 Exists When:

- a. Company's total water storage or well production has been less than 30 percent of capacity for at least 12 consecutive hours, and
- b. Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 4, Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- ◆ Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- ◆ Washing of any vehicle is prohibited
- ◆ The use of water for dust control or any outdoor cleaning uses is prohibited
- ◆ The use of drip or misting systems of any kind is prohibited
- ◆ The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- ◆ The use of construction water is prohibited
- ◆ Restaurant patrons shall be served water only upon request
- ◆ Any other water intensive activity is prohibited

The Company's operation of its standpipe service is prohibited. The addition of new service lines and meter installations is prohibited.

Notice Requirements:

1. Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Company shall post at least 2 signs showing curtailment stage. Signs shall be posted at noticeable locations, like at the well sites and at the entrance to major subdivisions served by the Company.
3. Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering Stage 4.

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APPROVED FOR FILING

TARIFF SCHEDULE

ORIGINAL

Utility: Diversified Water Utilities, Inc.
Docket No.: _____
Phone No.: (602) 840-9400

Tariff Sheet No.: 4 of 4
Decision No.: _____
Effective: 10.22.04

Customers who fail to comply with the above restrictions will be given a written notice to end all outdoor use. Failure to comply within two (2) days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees. If a customer believes he/she has been disconnected in error, the customer may contact the Commission's Consumer Services Section at 1-800-222-7000 to initiate an investigation.

Once Stage 4 has been reached, the Company must augment the supply of water by hauling or through an emergency interconnect from an approved supply or must otherwise provide emergency drinking water for its customers until a permanent solution has been implemented.

ADMINISTRATIVELY
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CROSS-CONNECTION OR BACKFLOW TARIFF

ORIGINAL

PURPOSE:

The purpose of this tariff is to protect Diversified Water Utilities Inc (Company) water from the possibility of contamination caused by the backflow of contaminants that may be present on the customer's premises by requiring the installation and periodic testing of backflow-prevention assemblies pursuant to the provisions of the Arizona Administrative Code (A.A.C.) R14-2-405.B.6 and A.A.C. R18-4-115.

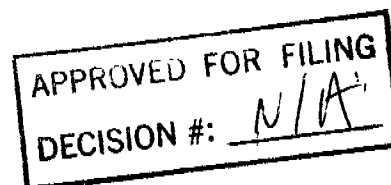
REQUIREMENTS:

In compliance with the Rules of the Arizona Corporation Commission (Commission) and the Arizona Department of Environmental Quality (ADEQ), specifically A.A.C. R14-2-405.B.6 and A.A.C. R18-4-115 relating to backflow prevention:

1. The Company may require a customer to pay for and to have installed a backflow-prevention assembly if A.A.C. R18-4-115.B or C applies.
2. A backflow-prevention assembly required to be installed by the customer under Paragraph 1 of this tariff shall comply with the requirements set forth in A.A.C. R18-4-115.D and E.
3. Subject to the provisions of A.A.C. R14-2-407 and 410, and in accordance with paragraphs 1 and 7 of this tariff, the Company may terminate service or may deny service to a customer who fails to install a backflow-prevention assembly as required by this tariff.
4. The Company shall give any existing customer who is required to install a backflow-prevention assembly written notice of said requirement. If A.A.C. R14-2-410.B.1.a. is not applicable, the customer shall be given thirty (30) days in which to comply with this notice. If the customer can show good cause as to why he cannot install the device within thirty (30) days, the Company or Commission Staff may suspend this requirement for a reasonable period of time.

** FOR OFFICIAL USE ONLY **

Effective Date: March 29, 1997



Company Name: Diversified Water Utilities, Inc

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5. Testing shall be in conformance with the requirements of A.A.C. R18-4-115.F. The Company may require the customer to pay to have the backflow-prevention assembly tested as long as the Company does not require an unreasonable number of tests. The Company may also require the customer to pay for repairs to a backflow-prevention assembly.
6. The customer shall provide the Company with records of installation and testing. For each backflow-prevention assembly, these records shall include:
- a. assembly identification number and description;
 - b. location;
 - c. date(s) of test(s);
 - d. description of repairs and recommendations for repairs made by tester; and
 - e. the tester's name and certificate number.
- 7A. In the event the backflow-prevention assembly does not function properly or fails any test, and a hazard as contemplated under A.A.C. R14-2-410.B.1.a. exists, the Company may terminate service immediately and without notice. The backflow-prevention assembly shall be repaired or replaced by the customer and retested before service is restored.
- 7B. In the event the backflow-prevention assembly does not function properly or fails any test, or in the event that a customer fails to comply with the testing requirement, and A.A.C. R14-2-410.B.1.a. is **not** applicable, the backflow-prevention assembly shall be repaired or replaced within fourteen (14) days of the initial discovery of the deficiency in the assembly or its function. Failure to remedy the deficiency or disfunction of the assembly, or failure to retest, shall be grounds for termination of water service in accordance with A.A.C. R14-2-410.

** FOR OFFICIAL USE ONLY**Effective Date: March 29, 1997